

GOVERNMENT OF TELANGANA
A B S T R A C T

Municipal Administration and Urban Development Department – Telangana Urban Finance and Infrastructure Development Corporation (TUFIDC) – Creation of new company by name Telangana State Urban Infrastructure Financial Services Ltd., (TSUIFSL) and to appoint SBI Capital Market Ltd., (SBI CAPs) as transaction adviser and as an Associate in the proposed venture as Assessment and Appraisal agency – Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (UBS) DEPARTMENT

G.O.MS.No. 144

Dated: 18/05/2016
Read the following:

1. Minutes of the 6th Board of Meeting of TUFIDC held on 31.03.16
2. From M.D, TUFIDC Lr.Roc.No419/Creation of New Company /TUFIDC / 2016 Dt. 22.04.2016

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ORDER:

The M.D, TUFIDC in the reference 2nd read above has informed that the urban local government institutions are weak in terms of their own financial strength, which is a major cause for the lack of adequate investments for capital formation and maintenance at their level. The Central and State government support in the form of plan and non-plan grants has some limitation to complement the finances of ULBs. Some ULBs like GHMC have already taken necessary steps and directly accessed funds both from open market by floating bonds as well as from lending agencies such as the World Bank, HUDCO and ADB. The option of raising institutional loans or floatation of bonds is not available to all ULBs in terms of their financial strength. Therefore, pooling of credit inflows into a financial institution at State level that borrows and lends to ULBs is an economical and convenient mechanism to access fund flows. Keeping this in view and to enable the ULBs to have convenient mechanism to access the fund flows, the Board of Directors of TUFIDC, in their 6th meeting held on 31.03.2016 under the chairmanship of Special Chief Secretary to Government resolved, to incorporate a new company for rendering Urban Infrastructure Financial Services under the name and style of Telangana State Urban Infrastructure Financial Services Ltd., (TSUIFSL) and to appoint SBI Capital Market Ltd., (SBI CAPs) as transaction adviser and as an Associate in the proposed venture as Assessment and Appraisal agency without any business interest in the company.

2. The M.D, TUFIDC, citing the resolution of the Board of Directors meeting held on 31.03.2016, requested the Government to permit TUFIDC to appoint SBI Capital Market Ltd., (SBI CAPs) as transaction adviser and as an Associate in the proposed venture as Assessment and Appraisal agency without any business interest in the company and also to approve the proposal for creation of a new company by name Telangana State Urban Infrastructure Financial Services Ltd., (TSUIFSL) and to authorize the TUFIDC to take necessary further action.

3. The Government after careful examination here by accord permission to TUFIDC to appoint SBI Capital Market Ltd., (SBI CAPs) as transaction adviser and as an Associate in the proposed venture as Assessment and Appraisal agency without any business interest in the proposed new company to be created. The terms of reference to SBI Caps will include but not limited to, the preparation of the concept plan, conducting pre-bid conferences with the interested private partners, evaluation and recommendation of the private partner(s) for the venture and assisting the new company as assessment and appraisal agency.

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4. The Government also hereby create a new company by name Telangana State Urban Infrastructure Financial Services Ltd., (TSUIFSL) with immediate effect and authorize the TUFIDC to take further necessary action in the matter.

5. The Managing Director, TUFIDC shall take further necessary action in the matter.

6. This order issues with concurrence of Principal Finance Secretary to Government, Finance Department vide No. 756 Dated. 30.04.2016.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

M.G.GOPAL
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To

The Managing Director, TUFIDC Ltd., Telangana, Hyderabad

Copy to:

The Commissioner and Director of Municipal Administration, Telangana, Hyderabad

The Engineer-in-Chief(Public Health), Telangana, Hyderabad

The Director of Town and Country Planning, Telangana, Hyderabad

The Mission Director, MEPMA, Telangana, Hyderabad

The Commissioner, Greater Hyderabad Municipal Corporation, Hyderabad

The Project Director, TMDP, Telangana, Hyderabad

The Metropolitan Commissioner, HMDA, Hyderabad

The Managing Director, HMWSSB, Hyderabad

The OSD to Hon'ble M(MA)

The P.S. to Special Chief Secretary to Government, M.A.&U.D Dept.

The P.S. to Principal Finance Secretary to Government, Finance Dept.
Sc/Sf.

//FORWARDED BY ORDER//

ASSISTANT DIRECTOR